

S/T Comments on ACS/Intelligence, USAF contribution  
to NIE 13-58 "COMMUNIST CHINA"

p. 14. 3. Transportation.

(a) Rail

On the contrary, a study of the data indicates that the announced operating statistics are of the correct magnitude.

General comment on railroad items: This is a considerable forward step for USAF Intelligence on the matter of Chinese Communist railroad performance. By leaving out any counter-proposals of performance figures and merely voicing the generalized objection that the announced statistics "are probably too high," they appear to be coming around to the place where they can eventually let an NIE get out without their having a footnote on the subject.

p. 15. (b) Roads

Highway equipment has been in short supply but imports did not furnish 100 percent of the requirements in 1956 or 1957. In 1956 domestic production may have been as much as 1654 units and in 1957 7,000 units.

Native transport moved 34 percent of highway ton-kilometers and 79 percent of highway tons originated in 1956, but only 1.2 percent of total ton-kilometers by all types of transport and 45 percent of total tons originated.

(c) Coastal Waterways

Sentence 1: It is true that the international trade with North Vietnam has been insignificant in volume when compared to that carried a longer distance or when compared to domestic coastal traffic, but it seems that some notice should be taken of the existence of the North Vietnam traffic.

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Probably the simplest way is to modify the sentence wording to "...handled the long distance international shipping...".

Sentence 2 and 4: There seems to be a contradiction here. How can the Chinese Communist merchant fleet cover sea routes between Dairen (Ta-lien), Tientsin (T'ien-ching), Shanghai, and Canton (Kung-chow), implying that there is traffic in Chinese Communist vessels through the Taiwan Strait, when the vessels operating there are said to be non-Chinese? S/TR has no evidence to indicate that Chinese Communist vessels at present operate along the entire Fukien coast (Taiwan Strait), although it does appear that they operate up to the Strait area.

p. 16 (d) Inland Waterways

Sentence 2: Where does the 52,000 figure come from? The Chinese Communists have announced consistently through 1956 that their navigable inland waterway network totalled 100,000 kilometers, of which about one-third is navigable by steamboats. In 1957 they announced that by the end of the year the total length would reach 104,720 kilometers, of which "over 39,390" kilometers are navigable by steamboats.

Sentence 3: "...unspectacular..." seems unduly belittling and seems to contradict what is on page 27.

Second sentence from end of paragraph: What is the Chinese name of the section of the Mekong involved? S/TR cannot comment on so little information.

Last sentence in paragraph: The figure of 11-12 billion ton-kilometers (tkm) can be accepted only if USAF believes that inland waterway announced figures, like rail, are high. The announced performance in 1956 was 12.9 billion tkm. On the basis of announced past performance,

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S/ZH estimates that in 1958 this will be 17-18 billion. Although USAF has included official Chinese Communist figures for rail transport, they are apparently unwilling even to list the announced figures for inland water transport, and are continuing to present their own estimates for this type of transportation.

(c) Civil Aviation

This is an extremely superficial discussion of Civil Aviation in Communist China. It dignifies air freight as the sole function of civil aviation. It makes no reference to passenger carriage or special services which loom large in China.

The following sentence on page 16 is not clear: "the goal of a nation-wide air network is not expected to be reached." The network was nation-wide even when the routes were few, -- routes served Peking in the North, Canton in the South, three routes went to the USSR in the West, and a route to Shanghai in the East--the word nation-wide is ambiguous unless qualified by further description.

The sentence about aircraft is misleading. "It can be expected that COACHES and CRATES phased out in the USSR will be added to the Chinese inventory." The COACHES and CRATES sent to China were new aircraft and not allotted because they were phased out in the USSR. The Il-14, CRATE, indeed is used in numbers throughout the Bloc for international operations.

p. 26. (d) Transportation

(1) Rail

What is the basis for the USAF statement that over-all investment in transportation for the period 1958-62 will be less than that

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<sup>the</sup> of previous 5-year period? CRR has estimated that investment in rail transportation during the Second Five Year Plan (1958-62) will be approximately double that of the First Five Year Plan.

Only in the immediate future will rail development necessarily be oriented more toward increasing line capacity than toward construction of new lines. There is also some doubt that bottlenecks of greater magnitude than those of 1956 will develop. In 1956, only 47 percent of the total volume of freight was hauled in the first half of the year; but in 1957 this was increased to 51 percent. (Possibly 51 percent of the 1957 plan.) This resulted in alleviating the tightness in freight traffic in the second half of the year. Efforts to achieve greater uniformity in distribution of freight traffic throughout the year met with considerable success. Although in 1957 some 60 million more passengers were carried than in 1956, there was less confusion and congestion, largely owing to better preparation for handling the increased traffic. Improvements in line and yard capacity, better organization of operations, and increased awareness of the situation, should make it possible for the Chinese Communists to avoid a recurrence of the 1956 congestion problems in the future.

(2) Road

What is the basis for the statement that highway investment is expected to increase during the Second Five Year Plan? We expect this also, but not against the background of an over-all decrease in the transportation budget.

p. 27 (3) Inland Waterways

Sentence 1: Why is the expansion program described as "unspectacular" on p. 16 but "impressive" here?

Sentence 2: The 1962 capability of about 13.5 billion tkm seems much too low. Even at the plodding pace USAF postulates for growth (p. 16), surely tkm performance will increase more than 1.5 billion tkm from 1958 to 1962! S/TR estimates 1962 performance as more than 25 billion tkm.

p. 28 (4) Coastal Waterways

Sentence 1: Fleet figure contains modern vessels of all sizes (not 1,000 GRT minimum) and should be so noted.

(5) Civil Aviation

"A tremendous increase in route mileage." The word tremendous seems out of focus. Even with the development of a network of 26,000 km at the end of 1957 the future expansion in the next five years will probably not reach the 1948 peak.